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STRATEGIC MANAGEMENT: MANAGING CHANGE BY MANAGING PARTICIPATION

Paul H. Richanbach  
Frederick R. Riddell

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Strategic management seeks to link strategic planning with decision making and the implementation of decisions. The role of participation—who should participate and how that participation should be managed—is central to effective decision making. This paper discusses the importance of participation in decision making generally and shows how participatory management principles apply to the strategic management process specifically. Strategic management consists of three important steps: creating a documented plan, making strategic planning a dynamic part of the management systems, and properly managing participation in the planning process. It requires that an organization's key managers participate in a process to identify objectives, develop strategies and implementation plans to achieve those objectives, and periodically review the implementation of decisions. The process of decision making, implementation, feedback, and review is a continuous one. Practically speaking, effective decision making and implementation means assembling the right mix of people, convincing them that what they are doing is important to the senior executive, and managing their participation in the decision making process effectively. The methods described in this paper, although not a recipe for success, provide some proven techniques that will be of value to many organizations.

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## PREFACE

The Institute for Defense Analyses (IDA) has for several years assisted organizations within the Department of Defense in efforts to improve their strategic planning processes. Based in part on the authors' experiences with these organizations, this paper discusses the importance of participation in decision making and shows how participatory management principles apply to the strategic management process. This work was performed under IDA's independent research program.

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## STRATEGIC MANAGEMENT: MANAGING CHANGE BY MANAGING PARTICIPATION

### I. INTRODUCTION

An effective planning and management process allows an organization to rapidly develop and implement an agreed upon series of actions to meet its changing needs and the changing demands of the world around it. Responding to change is particularly difficult because most bureaucracies, large and small, associate change with uncertainty and additional risk, and thus resist it. When people in an organization say they cannot do anything to respond to a changing situation, what they often mean is that they do not know what to do or how to involve the people needed to adjust to the situation.

Through the careful application of certain participatory management techniques—a process called strategic management—an organization can overcome people's resistance to change and give them opportunities to take positive action. Ideally, top managers achieve control by establishing a strategic direction and instructing or influencing lower level managers to make operational decisions that are consistent with that direction. This process can be problematic, however, because it is difficult to establish or alter the strategic direction of an organization, particularly if strategic planning is not part of the normal responsibilities, interests, and actions of the organization's senior managers. Moreover, it is difficult to ensure that the day-to-day actions of managers are consistent with the objectives and wishes of the top executives.

Strategic management seeks to link strategic planning with decision making and the implementation of those decisions. The role of participation—*who should participate and how to manage that participation*—is seen as the central concern. This is particularly true during periods when change is rapid, because it is only through effective participation that decisions can be quickly and effectively communicated and implemented.

With these factors in mind, we define strategic management as a *highly participative and continuous process by which an organization develops a common approach to complex issues among all the relevant parts of the organization, and ensures that specific actions result from the decisions taken.* The key point about strategic management is that it must be

imbedded in and implemented through the existing management system. It emphasizes the implementation of major decisions through participatory management.

Strategic management entails three important steps:

1. *Creating a documented strategic plan.* A sound plan is a necessary centerpiece and reference document that communicates decisions and the rationale for those decisions to the multiple levels of people who must implement them. The mere existence of a planning document does not, however, guarantee the success of the planning process.

2. *Making strategic planning a dynamic part of the management system.* To be successful, a strategic plan must eventually be implemented through existing management systems. Plans that are developed by off-line planning staffs or outside consultants usually fail because they lack the commitment of the people who must implement them.

3. *Effectively managing participation in the planning process.* Because the participation of key actors in the organization provides the necessary link between the strategic plan as a document and its implementation through the existing management system, it is essential that this participation be effectively managed at each step of the planning process.

In this paper we discuss the basic principles of strategic management, the importance of participation in the strategic management process, and specific steps that can be taken to implement strategic management within an organization. These observations and prescriptions are based in part on our experience with the Department of Defense, where we have assisted in and promoted the adoption of strategic management principles.

## II. STRATEGIC PLANNING AND STRATEGIC MANAGEMENT

### A. Strategic Planning

Strategic planning is commonly thought of as the development of a formal strategy. Most writers on and practitioners of strategic planning devote themselves to the development and exposition of particular strategies or strategic approaches for specific industries or markets, e.g., acquisition strategies for mid-size banks in competitive regional markets, or strategies for marketing consumer products in Europe.

A smaller but still substantial number of authors focus on the appropriate analytic methods for successful planning—what questions must be asked and information obtained to develop a good strategy. The three most prominent planning concepts developed and used during the 1970s were the experience curve, the strategic business unit, and portfolio



planning.<sup>1</sup> The 1980s saw the development of competitive analysis, or what is sometimes referred to as the industry structure model, a field in which Michael Porter's work on competitive strategy appears to be seminal.<sup>2</sup>

In recent years it has become clearer that implementation issues are complex and central to the success of any strategic plan. The poor reputation accorded strategic planning during the 1970s, for example, resulted in part because top management commissioned independent consulting firms or internal strategic planning staffs to develop planning documents that firms were unable to implement. All too often the strategic planning process proceeded little further than the writing of a plan and its transmission from senior management to the rest of the organization. The firms blamed the consultants for writing poor plans, while the consultants blamed the firms for their inability to implement the plans.

For a plan to meet with success, the process by which it is developed should lead directly to its implementation within the existing management systems. Thus we have strategic management, not simply strategic planning.

## **B. Strategic Management**

There is widespread agreement on the basic requirements of good strategic management systems. The following three requirements are particularly important:

1. The strong leadership and involvement of the senior executive is essential.
2. The primary responsibility for developing strategy must belong to those responsible for implementing it, particularly line managers. Their participation and the nature of that participation are critical to decision quality and ownership.
3. The primary role of staff (non-line) elements is to facilitate the planning process and to ensure that everyone's participation is managed effectively; it is not to take control of the process or ownership of the product.

These three requirements constitute the fundamental principles of strategic management. First, because the Chief Executive Officer (CEO) is ultimately responsible for the strategic direction the organization takes, his or her active leadership and

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<sup>1</sup> For an excellent review see Frederick W. Gluck, "Strategic Management: An Overview," in James R. Gardner, et al., eds., *Handbook of Strategic Planning*, Wiley and Sons, New York, 1986, pp. 1.7-1.12.

<sup>2</sup> Michael E. Porter, *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, The Free Press, New York, 1980, and *Competitive Advantage: Creating and Sustaining Superior Performance*, The Free Press, New York, 1985.

participation in the strategic management process is critical to its success.<sup>3</sup> Second, if the CEO is committed to the strategic management process, then gaining the support and commitment of the organization's senior managers is possible. Their commitment is essential in order to implement any decisions that are made, and their knowledge is an invaluable input to the planning process.

Third, the primary role of planning staffs is to facilitate the strategic management process. Such staffs may perform independent analyses to help improve the quality of the discussions taking place, but they should be extremely cautious about becoming advocates for a particular position. When this occurs, planning staffs begin to usurp the responsibilities and authority of line managers, who then lose their confidence in and commitment to the management process.<sup>4</sup>

In addition to these fundamental principles, theorists and practitioners are in broad agreement on a number of other principles of strategic management:

- Planning must include resource constraints on managers that force them to justify and make difficult decisions. A discipline that is viewed by the participants as systematic and fair must be imposed on the resource allocation process.<sup>5</sup>
- The pace of change requires that senior management develop dynamic strategic planning processes. Strategic planning is often used in an effort to protect organizations against surprises and unwanted change, making it essentially a

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<sup>3</sup> See for example, Gluck, "Strategic Management: An Overview," op. cit., p. 128. The term CEO is used here as a shorthand reference to any manager with clear authority over an organization or a part of an organization, public or private. The principles of strategic management are applicable to division managers, project managers, and so on, in addition to the CEO, Cabinet Secretary, or other head of an entire organization.

<sup>4</sup> There is widespread agreement on the appropriate roles of CEOs, line managers, and planning staffs. See, for example, Richard G. Hamermesh, "Making Planning Strategic," *Harvard Business Review*, July-August 1986, pp. 115-120; Daniel H. Gray, "Uses and Misuses of Strategic Planning," *Harvard Business Review*, January-February 1986, pp. 89-97; Boris Yavitz and William H. Newman, *Strategy In Action*, Free Press, 1982; and John D. C. Roach and Michael Allen, "Strengthening the Strategic Planning Process," Kenneth J. Albert, ed., *The Strategic Management Handbook*, McGraw-Hill, 1983. Some corporate decisions, such as acquisitions, may rely more on the contributions of planning staffs.

<sup>5</sup> "If a plan is to be of any use at all...it almost has to raise tensions. Moreover, a strong position has to be adopted by the administration to ensure that some progress is made towards making real strategic choices...[P]lanning efforts...sometimes seemed to be the concatenation of shopping lists from various departments which did not eliminate any of the possibilities, make any difficult choices, or establish any clear consistent patterns. These plans may have made everyone happy but they did not provide a very clear guide for future action." Ann Langley, "The Roles of Formal Strategic Planning," *Long Range Planning*, Vol. 21, No. 3, June 1988, p. 44. Although this is a good characterization of strategic planning in the Department of Defense, the organizations in Langley's study were hospitals.

static process. Instability and change should not be viewed as threats but rather as opportunities that the planning process can shape into advantages.<sup>6</sup>

- Senior managers should refrain from imposing goals that are too detailed; they should set broad, clear objectives and allow line managers to develop more detailed goals that are meaningful to their subordinates and consistent with the top level objectives.
- Ideas must flow through the organization—up as well as down—if a strategy is to be viable. Many valuable ideas are to be found throughout any organization, and they should be reflected in the strategic plan. If no mechanism exists for tapping into these ideas, gaining people's commitment to the strategy is difficult.<sup>7</sup>
- Strategies must be carefully communicated to the rest of the organization. Employees must understand why the organization has a strategy at all, why it has the adopted strategy, and why and how that strategy should affect what they do.
- "Implicit" strategies should be recognized and used. A distinction may be made between strategies that are deliberate and those that take shape with little formal direction. In many cases an organization already has many elements of an implicit strategy, which management can harness and mold into a high level, overall strategy.<sup>8</sup>
- It is important to have qualified people in key management positions. An organization can be no better than its people.<sup>9</sup>

An organization that can apply all these principles is practicing strategic management. A strategically managed organization is one in which strategic planning is performed throughout the organization as part of the expected responsibilities of all corporate managers. As Roach and Allen describe successful companies:

[S]trategic planning becomes the basic management style on every level of the corporation as part and parcel of ongoing operations. . . . Strategic planning is essentially the business of all managers, whether or not they are actually called into the ranks of

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<sup>6</sup> A valuable discussion of the relationship, during the past three decades, between the pace of change and the development of strategic planning processes is contained in Gluck, "Strategic Management: An Overview," *op. cit.*

<sup>7</sup> See, for example, Roach and Allen, "Strengthening the Strategic Planning Process," *op. cit.*

<sup>8</sup> This idea is most closely associated with the work of Henry Mintzberg. See, for example, "Crafting Strategy," *Harvard Business Review*, July-August 1987.

<sup>9</sup> This obvious point is too often overlooked, especially in government organizations. See, for example, Donald C. Hambrick, "The Top Management Team: Key To Strategic Success," in Glenn R. Carroll and David Vogel, eds., *Organizational Approaches To Strategy*, Ballinger, 1987; and Arthur Rock, "Strategy vs. Tactics From a Venture Capitalist," *Harvard Business Review*, November-December 1987, pp. 63-67.

strategic planners per se. Every manager's experience is a corporate resource that the best strategic planners will put to good use.<sup>10</sup>

Gluck makes the same point:

What distinguishes these companies is the care and thoroughness with which management links strategic planning to operational decision making and then executes its plans. . . .<sup>11</sup>

### III. THE MANAGEMENT OF PARTICIPATION

Even when the CEO or other senior executive knows what the attributes of a good planning process are, determining how such a system can be put into place and how it should operate continue to pose difficult problems. These problems have yet to be dealt with adequately in the literature on strategic planning. Specifically, while the importance of participation has been recognized, there has been little discussion in the literature of how to manage such participation effectively.

Participatory management is not a new concept, and the importance of participation in decision making processes (in problem solving generally) has received a great deal of attention from managers, management consultants, management theorists, psychologists, organizational behaviorists, and others who concern themselves with group decision making processes.<sup>12</sup> However, there appears to have been little effort to link this work on decision making to models of strategic management and strategic planning. In other words, the strategic planning literature has generally failed to take into account the tools of decision making and decision implementation developed in the organizational behavior and other related literatures.

One important lesson from the extensive research on decision making is that every decision should be made with the appropriate involvement of the "acceptance set" and the "information set." The acceptance set consists of those people whose acceptance of a decision is necessary for it to be successfully implemented. These people might also be thought of, in the negative, as the "resistance set." Little change will occur so long as these key people resist taking the actions necessary to implement a decision. The information set consists of those people who have information that could be used to make a better decision, and may include outside experts.

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<sup>10</sup> Roach and Allen, "Strengthening the Strategic Planning Process," op. cit., pp. 7-16 and 7-44.

<sup>11</sup> Gluck, "Strategic Management: An Overview," op. cit., p. 129.

<sup>12</sup> For a particularly good treatment of this subject, see Victor Vroom and Arthur Jago, *The New Leadership: Managing Participation In Organization*, Prentice-Hall, Englewood Cliffs, 1988, pp. 15-48. The following discussion draws heavily from this work.

Thus, for example, when a decision is being made on the purchase of light bulbs, the information and acceptance sets may consist of one person; no additional participation is needed. When a plan for the introduction of a new product is being developed, however, these two sets contain a much larger number of people. Making a correct determination of who should participate in the decision making process—determining who is truly part of the acceptance or information sets—is a difficult problem that will have a significant effect on the ultimate outcome of the planning process.

Our own experience with strategic planning and strategic management in the Department of Defense has led us to develop and refine a process that, properly implemented, includes all the appropriate participants from the acceptance and information sets. In this process, described in the next section, participants make meaningful decisions, not watered down compromises or agreements to support one another's vested interests while avoiding difficult decisions. Decisions are communicated and their implementation followed up. Techniques such as the ones we suggest for managing participation are crucial to successful strategic management and should be the focus of attention for executives and management theorists alike.

#### **IV. IMPLEMENTING STRATEGIC MANAGEMENT**

##### **A. Experience in the Department of Defense**

Two of the strategic management efforts we have been associated with in the Department of Defense are represented by the *Army Science and Technology Master Plan* and the *Defense Science and Technology Strategy*, both of which illustrate the benefits of a participatory approach to strategic planning.

In the case of the *Army Science and Technology Master Plan*, prepared annually since 1988, the Deputy Assistant Secretary of the Army for Research and Technology has attempted to get all of the Army's senior science and technology (S&T) managers, especially its laboratory directors, to work together on a common plan for the Army's \$1 billion science and technology program. A critically important part of this plan is the involvement of the customer, the Army's "user" community: the acquisition organizations and people who must take the technology from the S&T program and incorporate it into new and improved weapon systems, and the "operators" or "warfighters" who eventually must use those weapons.

A key component of the Army's S&T planning process is the leadership role assumed by the Deputy Assistant Secretary and his concentration on the planning process

itself. The original steering group has now become a formal body, the Army Science and Technology Working Group (ASTWG). The ASTWG is an assemblage of senior S&T managers in the Army who meet regularly, not only to review drafts of the Master Plan but to address other major issues affecting the Army S&T program. Whereas in its first year (1989) the master plan was little more than a summary of the program that laboratory directors and other senior managers paid little attention to, it is evolving into a comprehensive planning document that serves as an anchor for the entire planning process. As the plan is developed and refined each year, laboratory directors agree to their goals and commitments for the coming year.

The *Army Science and Technology Master Plan* is a good example of how strategic management can work. In this case the senior executive has been intimately involved, successfully demonstrating his own commitment to a participatory process. He has been careful to include the important line managers in the process, including managers who represent his most important customers. He has forged a strong link between the high level strategy and the allocation of resources, thus guaranteeing the attention and the cooperation of the key line managers. He has consciously attempted to keep the process a fair one, using neutral facilitators to keep the process in motion. He has made a point of overturning decisions made by his own staff when they attempt to impose decisions on line managers in the field by bypassing the established, participatory procedures for making decisions.

A second effort, the *Defense Science and Technology Strategy*, is being used by the Director of Defense Research and Engineering (DDR&E) to improve the coordination of the \$10 billion science and technology programs of the military services and defense agencies. Beginning with his appointment in mid-1991, the new DDR&E began meeting regularly with the senior executives responsible for science and technology in the services and agencies (including the Deputy Assistant Secretary of the Army, whose strategic planning effort was described above). This group came to be called the Defense Science and Technology Working Group (DSTWG).

Over a period of several months this group developed a common understanding of how to approach the business of science and technology, establishing a set of seven "thrusts" to guide the planning and resource allocation processes of the military services. This common understanding was documented in the *Defense Science and Technology Strategy*, issued by the DDR&E after extensive discussions by the members of the DSTWG and their organizations.

The seven thrusts established seven priority technical program areas. The DDR&E appointed Thrust Leaders to be responsible for ensuring that all of the service and agency

programs in each area are coordinated with one another and are consistent with the agreed-upon strategy. The Thrust Leaders are expected to work with the services and agencies in a participatory fashion in order that a consensus may be developed among all the participants on the implementation of the strategy for that thrust. Although the DDR&E has not, as yet, insisted that each of the Thrust Leaders establish a formal steering group and prepare a formal plan for each thrust, this is likely to occur as efforts proceed to institutionalize this new planning process.

As in the case of the *Army Science and Technology Master Plan*, the senior executive was intimately involved in the development of the S&T Strategy, successfully demonstrating his own commitment to the process. He was careful to include all of the senior executives involved in science and technology, as well as a senior representative from the Joint Chiefs of Staff to improve the representation of the customer. The use of neutral facilitators in the development and writing of the *Defense Science and Technology Strategy* helped to ensure that the participants perceived the process as fair.

From these and other experiences we have developed an approach to strategic management that is built around four main elements: (1) the support of top level management; (2) the composition and activities of a steering group; (3) the role of the facilitator; and (4) the recording, communication, and tracking of decisions. Each of these elements is detailed below.

## **B. The Support of Top Level Management**

The most critical element for successful strategic management is that the effort be initiated and supported by the senior executive in the organization. Leadership is essential because people at any level in any organization respond to what they believe their bosses think is important. Without the senior executive's active interest and involvement, individuals in the organization will perceive—often correctly—that the effort will come to naught. If the senior executive is not genuinely interested in the active participation of other managers, there is little likelihood that the results of their efforts will be accepted and implemented.

The top level involvement begins with the senior executive's issuance of a charter for a steering group. The charter can describe problems and issues related to the organization's strategic direction in the years ahead, or it might deal with more specific issues, such as what to do about rising health care costs or the effectiveness of the R&D operation.

In any case, the charter must be specific enough to help the steering group focus its efforts. At the same time, it must be broad enough so that the members of the steering group do not feel that they are operating under excessive restrictions or that the results of their efforts are a foregone conclusion. In other words, the participants must be able to take ownership of their efforts. The charter also must make clear to all participants that the steering group will require a significant and regular commitment of their time, for both meetings and work between meetings, and that the senior executive will share in this commitment.

Some of the most serious problems we have encountered in assisting organizations in the Department of Defense have occurred when there was no charter and the senior executive was unwilling to issue clear guidance on the issues to be addressed. This problem is widespread in the Defense Department because authority and responsibility are so diffuse. Under circumstances such as these, steering group members may resist efforts to proceed. In addition to traditional reasons associated with bureaucratic politics and resistance to change, they may doubt the senior manager's commitment to the effort and thus feel their active involvement is a waste of time. On the other hand, in those cases where strong leadership is applied, the commitment of subordinates and other participants results in substantial and gratifying progress.

### **C. The Establishment of the Steering Group**

Through a series of regular meetings the steering group develops a set of objectives and a strategy to address the issues presented in the charter. The group then develops a detailed action or implementation plan for the organization that will lead to the achievement of those objectives. Finally, the steering group periodically reviews its decisions to see how well they are being implemented and to determine whether the passage of time and events requires any changes in their decisions. The members must see these decisions and activities as an integral part of their day-to-day management responsibilities, not as a program distinct from, or irrelevant to, those activities.

In selecting the members of the steering group, the senior manager must satisfy three criteria. First, the membership must include members of the acceptance set, which typically means the senior line managers in an organization, along with other key staff managers as appropriate. (The need to include the acceptance set poses an interesting problem in our work with the Department of Defense. There is often disagreement over who is line and who is staff, and many managers in staff positions actually do not understand the distinction between line and staff, or the differences in responsibilities.)



Second, the steering group must include the information set, who may be members of the organization or outside experts.

Third, the steering group must be limited to approximately 17 or fewer members. Our experience and that reported in the literature indicate that larger groups cannot function effectively.<sup>13</sup> Rather than increasing the size of the steering group, the members can assign nonmembers to subgroups to address specific issues, with instructions to form recommendations and develop an action plan to implement their recommendations. The steering group is then responsible for reviewing the progress of the subgroups and incorporating their contributions into the steering group's final decisions. We have found that a member of the steering group should chair each subgroup to ensure proper communication up and down the line.

The use of subgroups allows the steering group to take advantage of a much larger set of people who might have valuable information to bring to the process (members of the extended information set), or whose participation in implementing decisions will eventually be required (the extended acceptance set). Subgroups provide a mechanism for communicating the work of the steering group to more members of the organization, thereby developing a more widely held sense of ownership and commitment to the results.

The goal of the steering group is to see that all important issues are raised and discussed thoroughly. Conflicts must be resolved without leading to an agreement that is a collection of (often meaningless) concessions. What is required within the steering group is debate and analysis—what we sometimes call conflict without animosity—that leads to meaningful decisions.<sup>14</sup> Seeing that this happens is one of the roles of the facilitator.

#### **D. The Role of the Facilitator**

In order for all members of a steering group to take ownership of their work, they must feel that the particular interests of the person or organization who brought them together do not unduly influence or bias the results of the group's efforts. Consequently, a steering group and its subgroups often benefit from the use of a facilitator. The facilitator

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<sup>13</sup> See, for example, John N. Warfield, *Societal Systems: Planning, Policy, and Complexity*, John Wiley and Sons, New York, 1976. In fact 17 is thought to be too large a number by some writers, who suggest that 8 to 12 is the proper size for such a group. In our experience the advantage of starting out with 10 to 12 members is that the group inevitably expands. So long as the number stays below 17, this usually is not a problem.

<sup>14</sup> Doyle and Straus make a similar point by drawing a distinction between consensus and compromise. Consensus exists when all parties to a decision can live with it. Compromise exists when all parties to a decision back down a little, but no one is satisfied with the final result. See Michael Doyle and David Straus, *How To Make Meetings Work*, Jove Books, New York, 1976.

is the keeper of the process, someone who must be capable of maintaining a neutral forum within which the issues outlined in the charter may be addressed and resolved. The facilitator works on meeting agendas with the senior executive (chairman) and stimulates and moderates discussions. If an internal facilitator is used (e.g., from the corporate planning staff) the other participants must be confident of his or her neutrality. The facilitator must also ensure that the issues raised and decisions made by the steering group are properly recorded so that they can be communicated to the rest of the organization and reviewed as necessary.

### **E. The Recording, Communicating, and Tracking of Decisions**

One of the biggest problems that decision making bodies face is how to record their decisions. Ideally this is done in such a way that the following objectives are achieved:

- After each meeting all the participants can agree on what was decided.
- People outside the group have enough information on the deliberations of the steering group to provide it with useful feedback.
- Other people have enough information on the decisions to be able to carry them out.
- Decisions can be reviewed at a later date to see whether they have been properly implemented.

Our experience demonstrates that this problem can be minimized through the use of two process tools: numerous drafts of the group's plan or report, which form the basis for each meeting's discussion, and the use of a computer projection system in the conduct of some meetings.

One of the most important details concerning the writing of a report or plan is that there must be numerous drafts. We find it most helpful to begin drafting a final report quickly, after the second or third meeting of the steering group. This forces people to focus on the important issues early in the process, allows time for the resolution of disagreements, helps to communicate the work of the steering group to others in the organization, and in other ways improves the quality of the final report. These drafts provide a vehicle for steering group (and subgroup) members to state their positions and present them fully for the rest of the group to consider. They also form the basis for discussion at each of the steering group meetings.

With multiple drafts, controversial positions can be considered and reconsidered several times, if necessary, before a final decision is reached. One of the most critical elements of participatory decision making is that the participants view the process as fair,

thus making them far more likely to accept and support the implementation of a decision, even when they disagree with the outcome. A fair decision making process is one in which all of the major actors are satisfied that their point of view received a full and careful hearing by their colleagues and by the senior executive.

An additional reason for multiple drafts, particularly in a large organization, is to provide an opportunity for larger numbers of people in the organization to comment on and provide inputs for the document. This participation helps to spread the "buy in" further down into the organization. The facilitator helps to edit and synthesize the work of the steering group and the subgroups until the final plan is finished.

For brainstorming sessions, in which a list of the important issues is agreed to and on outline of the report or plan adopted, a computer projection system is a simple and powerful means of improving the efficiency of a group's work, as well as recording, communicating, and tracking the group's decisions. As discussions are held, the ideas generated and decisions made are typed into a computer and projected onto a large screen at the front of the meeting room.

This technique offers several advantages over traditional recording and communication techniques, such as the taking of minutes or the use of transparencies or flip charts. First, it provides the facilitator with a powerful method for maintaining the group's focus during the discussions. It also provides participants with the opportunity to clarify for one another the precise meanings they attach to particular words or phrases, and to debate and agree on changes on the spot rather than at the next meeting, after the minutes have been distributed.

Another advantage of the computer projection technique is that the results or minutes of each meeting can be printed and distributed immediately before the participants leave. Disagreements over what decisions were reached at the meeting are minimized, people can immediately begin their assignments for the next meeting, group members can discuss the results of the meeting with nonmembers, and the information about the meeting given by group members to nongroup members is likely to be consistent.

## **V. SUMMARY AND CONCLUSION**

When a senior executive asks how to implement strategic management, it should be possible to provide a more complete answer than is commonly available. Effective decision making and implementation means assembling the right mix of people, convincing them the senior executive values what they are doing, and managing effectively their participation in

the decision making process. The methods we describe provide some proven techniques that should be of value to a wide variety of organizations.

The key questions in strategic management are who should participate and how that participation should be managed. The nature and organization of the steering group and the role for the facilitator may seem at first to be the kinds of details that senior managers need not concern themselves with. In fact, such details are crucial to the establishment of a successful strategic management process. Much communication and decision making in an organization takes place verbally, in formal and informal meetings. The techniques for implementing strategic management outlined here emphasize the importance that effective meetings play in facilitating communication, decision making, and decision implementation.